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SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1930.

No. 46.

LOUIS H. ENSTEN and LION KNITTING MILLS COMPANY,

Petitioners,

against

SIMON ASCHER & CO., INC.,

Respondent.

BRIEF ON BEHALF OF PETITIONERS.

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Petitioners,

AGAINST

SIMON ASCHER & CO., INC.,
Respondent.

Brief on Behalf of Petitioners.

Citations Below.

This case has been reported as follows:

Ensten et al. v. Simon Ascher & Co., Inc., 38 Fed. (2) 71.

Litigation on the patent, here in suit, has been reported as follows:

Rich-Sampliner Co. et al. v. Ensten, 291 Fed. 1003;

Ensten v. Rich-Sampliner Co. et al., 13 Fed. (2d) 132;

Ensten v. Rich-Sampliner Co. et al., 19 Fed. (2d) 66.

Jurisdiction.

Jurisdiction in this case to grant this petition rests upon the Act of February 13, 1925, Chap. 229, 43

Statutes 939, U. S. Code, Title 28, Sect. 347, and particularly paragraph *a* thereof.

Facts.

Before taking up the facts in detail, it is sufficient to say that one claim has been held invalid and four valid, and a disclaimer of the invalid claim has been filed. The trial court, in the case at bar, found that the disclaimer was filed too late and therefore the patent was invalid under the disclaimer statutes. This holding was followed by the Circuit Court of Appeals for the Second Circuit although a contrary view was taken by the Circuit Court of Appeals for the 7th Circuit in the case of *Excelsior Steel Furnace* v. *Meyer*, 36 Fed. (2d) 447. It is believed that both of these courts were passing on substantially moot questions, as we contend that whether a disclaimer is filed or not, the valid claims of a patent are valid just the same and the filing of a disclaimer has nothing to do with the validity of such claims. We also believe, in any event, the disclaimer at bar was filed in time.

It may be that this latter issue will determine the matter of costs.

The facts in this case will now be set forth in detail.

1. The patent in suit is No. 1,313,080 and is dated August 12th, 1919, and granted to Louis H. Ensten, one of your petitioners, for a knitted cap. Claims 1, 3, 4, and 5 are involved. There can be no question as to infringement because the defendant's structure is identical with these claims. The issues are the ones above indicated.

2. The first suit on this patent was brought in the 6th Circuit and was decided by Judge Westenhaver, sitting in the Northern District of Ohio. He held

claims 1, 3, 4, and 5 valid and infringed and Claim 2 invalid by an interlocutory decree in May, 1922.

3. The defendant in that suit took an appeal and the plaintiff took none, and the lower court was affirmed, the opinion being reported at 291 Fed. 1003. The date of the opinion is October 4th, 1923, and the mandate was filed October 18th, 1923.

4. April 30th, 1924, Ensten disclaimed Claim 2 in the usual manner by entering a disclaimer in the Patent Office pursuant to Sections 973, 4917 and 4922 of the Revised Statutes, 28 U. S. Code, Section 821, and 35 U. S. Code, Sections 65 and 71 respectively. The two latter sections are printed in an appendix to this brief. (Pages 26-27 inclusive.)

5. An unsuccessful effort was made to add a party plaintiff and on the failure of this a new suit was brought, and on motion, Judge Westenhaver held that the patent was void because the disclaimer was not filed in time, his opinion being reported in 13 Fed. (2d) 132.

6. An appeal was then prosecuted by the plaintiff, and Judge Westenhaver was reversed, the opinion being reported at 19 Fed. (2d) 66. The court took the peculiar position that the parties were the same in interest as in the earlier suit, and therefore the disclaimer question was called "moot."

7. Thereafter the defendants settled by paying $23,000, the final decree being entered November 1st, 1928 (Rec., p. 11, fol. 16).

8. The suit at bar was brought in the Southern District of New York on November 9th, 1929, and a mo-

tion was brought for a preliminary injunction in the usual manner based on the litigation in the 6th Circuit. The case came on for hearing before Judge Caffey and he dismissed the bill for the reasons given by Judge Westenhaver. Judge Caffey's opinion is found at page 26 of the record.

9. Thereupon, the petitioners, then the plaintiffs, appealed to the Circuit Court of Appeals for the Second Circuit, and the lower court was affirmed, the court holding itself bound by an earlier decision in *Hoe* v. *Goss*, 31 Fed. (2d) 565. The Court suggested that a petition for a writ of certiorari be filed in view of the *Excelsior Steel Furnace* case, above referred to. Its opinion is found at page 32 of the record.

10. The petitioners acted on this suggestion and filed the petition in this case which was allowed.

Assigned Errors.

The lower courts erred

1. In holding that the disclaimer was not filed in time, and

2. In not holding that a disclaimer, in any event, is entirely without prejudice to the validity of the claims in suit, Nos. 1, 3, 4 and 5, and hence the time of filing is immaterial as to this issue, and so the patent is valid and enforceable as to these claims.

ARGUMENT.

POINT I.

The Disclaimer was Filed in Time.

The disclaimer statutes here particularly involved were enacted in 1837 and have been slightly changed in form, but not in substance, since that date, so that the differences may be disregarded. They were construed in connection with the law of 1836 in the famous case of *O'Reilly* v. *Morse*, reported in 15 How. 62. We quote from this decision on page 121:

> 'It appears that no disclaimer has yet been entered at the patent office. But the delay in entering it is not unreasonable. For the objectionable claim was sanctioned by the head of the office; it has been held to be valid by a circuit court, and differences of opinion in relation to it are found to exist among the justices of this court. Under such circumstances, the patentee had a right to insist upon it, and not disclaim it until the highest court to which it could be carried had pronounced its judgment. The omission to disclaim, therefore, does not render the patent altogether void; and he is entitled to proceed in this suit, for an infringement of that part of his invention which is legally claimed and described. But as no disclaimer was entered in the patent-office, before this suit was instituted, he cannot, under the act of congress, be allowed costs against the wrongdoer, although the infringement should be proved.''

The patentee in the case at bar had several options after the adverse decision of Judge Westenhaver. He could disclaim immediately; he could wait until a higher court had passed upon the issue of validity; he could have brought a new suit elsewhere. In case he chose to

appeal, he could appeal within thirty days or he could wait until the final decree. He took no interlocutory appeal, and he did not file a disclaimer, but left the matter open for future determination, either by final appeal or by a new suit elsewhere. Under the doctrine of *O'Reilly* v. *Morse*, above quoted, he certainly was entitled to do this.

At that time a decision in his favor on Claim 2 by the Appellate Court would have done him no good because the other claims were ample to protect the invention and did protect it so that there was a very substantial recovery. Accordingly, after the Circuit Court of Appeals had affirmed the validity of the other claims, and before any final decree was entered, Ensten disclaimed Claim 2 instead of taking an appeal on an issue which would have been largely moot, as it would in no way have affected the matter of damages and profits or the injunction, whichever way the case had been decided. To get the peculiar characteristics necessary for the commercial exploitation of his invention, it was essential to use the elements covered by the other claims which were held valid.

From the foregoing, it is apparent that Ensten was well within the rule laid down in *O'Reilly* v. *Morse*, *supra*, because he filed his disclaimer prior to the final decree, unless he was prejudiced by the fact that the Judicial Code of 1914 had changed the law so as to permit an interlocutory appeal of which he had not taken advantage, having preferred to let the whole matter go over until the final decree, or until he might file a disclaimer short of that time. Is he to be penalized for doing this? Such is certainly contrary to the decision of *O'Reilly* v. *Morse*, which says near the top of page 121:

> "The law which requires and permits him to disclaim, is not penal but remedial. It is intended

> for the protection of the patentee as well as the public, and ought not, therefore, to receive a construction that would restrict its operation within narrower limits than its words fairly import."

The lower courts have treated this section as highly penal. They have required a prompt appeal within thirty days from an interlocutory order even though the issue to be decided was moot as to the real issues before the court, and though the interlocutory appeal is merely permissive, the final appeal being the established feature of Equity practice. They have treated the disclaimer statutes as penal and have penalized these petitioners very severely and destroyed the value of the patent because the patentee did not take an appeal on this moot question within thirty days. This, we believe, is not only contrary to *O'Reilly* v. *Morse*, but to other subsequent decisions of this court, a number of which we will now cite and comment upon.

O'Reilly v. *Morse* was rendered at the December Term, 1853. The law before the court was the law of 1836, plus the disclaimer statutes of 1837. A similar law was before the Court in *Seymour* v. *McCormick*, 19 How. 96, decided at the December Term, 1856. At page 106, near the bottom, after referring to *O'Reilly* v. *Morse*, and the matter of a disclaimer, the court goes on to say with regard to an invalid claim:

> "Under such circumstances, the patentee had a right to insist upon it, and not disclaim it until the highest court to which it could be carried had pronounced its judgment."

In *Minerals Separation* v. *Butte & Superior Mining Co.*, 250 U. S. 336, this court construed Sections 4917 and 4922 with regard to a reasonable time within which to file a disclaimer and found that a delay of more than three months after a final adjudication before this court

was excusable in view of the war conditions in March, 1917.

The delay in the case at bar was short of the time in which this court could pass on the validity of claim 2 and short of the time in which the appellate court could pass on it on appeal from a final decree. It was subsequent merely to the time in which the Appellate Court could pass on the issue had an appeal been taken from the interlocutory decree. As the purpose of the disclaimer statutes is remedial and not penal, we submit that the petitioners should be in no way penalized because they did not appeal from a mere interlocutory decree as to a mere moot question, apart from the substantial merits involved. We submit that they were entitled to have the matter go over until the final decree, and then to appeal as to this claim, as they saw fit, and any action in either case was reasonable and the delay in filing the disclaimer until that time was reasonable.

POINT II.

The filing of the disclaimer has nothing to do with the validity of the patent in suit as to claims 1, 3, 4 and 5, and relates to costs only.

We concede that if the disclaimer herein were not filed within a reasonable time, these petitioners cannot recover their costs in the suit at bar.

This doctrine was emphatically asserted by this Court in the case of *Sessions* v. *Romadka*, 145 U. S. 129, from which we quote the following, the opinion being delivered by Mr. Justice Brown:

> "We think that section 4917 ought to be read in connection with section 4922, providing that

> the patentee may maintain a suit at law or in equity for the infringement of any part of the thing patented, notwithstanding the specifications may embrace more than that of which the patentee was the first inventor or discoverer; but, in every such case in which a judgment or decree shall be rendered for the plaintiff, no costs shall be recovered, unless the proper disclaimer has been entered at the patent office before the commencement of the suit. This was practically the construction given to corresponding sections of the act of 1837 by this court in *Smith* v. *Nichols*, 21 Wall. 112, and of the Revised Statutes in *Dunbar* v. *Meyers*, 94 U. S. 187, 193. *Under section* 4922 *the effect of delaying a disclaimer until after the commencement of the suit goes only to the recovery of costs. We adhere to that construction*" (Italics added).

Section 4922 is now Section 71 of Title 35 of the United States Code, and Section 4917, is now Section 65 of Title 35 of this Code. That case, like the one at bar, involved a patent having a valid and an invalid claim. It is possible that the doctrine there enunciated may not apply to a case like that of *Carnegie* v. *Cambria* (185 U. S. 403) which centered upon the construction of a single claim which was not sustained until the specification was properly restricted. We believe the doctrine of *Sessions* v. *Romadka* applies to the case at bar.

This court also said in the famous case of *Hailes* v. *Albany Stove Co.* (123 U. S. 582) as follows, the opinion being delivered by Mr. Justice Bradley:

> "We do not see how it is possible to misunderstand the two sections when read together, as it is necessary to read them. One section authorizes a disclaimer to be filed in certain cases; the other enables patentees to maintain suits in those cases, provided a disclaimer is filed with-

> out unreasonable delay. They are parts of one law, having one general purpose, and that purpose is to obviate the inconvenience *and hardship of the common law, which made a patent wholly void if any part of the invention was wrongfully claimed by the patentee, and which made such a defect in a patent an effectual bar to a suit brought upon it.*" (Next to the last paragraph of the opinion. Italics ours.)

This applied to the Laws of 1836 and 1837 which was the law of the patent in that suit, but its language substantially applies to the law of today. In the early days nearly all patent suits were brought initially on the law side of the court, and the law practice, under the Act of 1836 and earlier, rendered a patent incurably void if too broad. The disclaimer sections were drafted in 1837 to correct these and other existing errors and have come down to us without substantial change, although the Act of 1836 and all previous enactments have been completely repealed, and the parts embodying these errors have never been re-enacted. Hence, the disclaimer statutes profess to remedy a situation which no longer exists, and this, (taken in conjunction with the ambiguity of language employed in Sections 65 and 71 of Title 35 of the United States Code, as pointed out by this court in the case of *Sessions* v. *Romadka*, heretofore mentioned) has doubtless induced the confusion which has arisen when the lower courts have passed on the matter.

A careful study of the matter has convinced us that the confusion in the lower courts is due to the fact that the matter has not been considered historically. We will not repeat this error. We will discuss the matter, beginning with the reign of Queen Elizabeth, and very briefly outline the entire history of the patent law insofar as it relates to disclaimers.

The Origin of the Law of Patents.

Once only in her reign was Queen Elizabeth seriously afraid of her Parliament. The occasion was a debate on the subject of monopolies which she had arbitrarily granted to court favorites and others. During her reign and long prior thereto, it had been common for the sovereign of England to grant monopolies, without an act of Parliament, or the advice or consent of Parliament. The prices of the articles covered by the monopolies were naturally enhanced and arbitrarily raised because of them. These monopolies were enforced by a right of search and seizure which made them effective. There were also severe punishments inflicted upon those caught with illegal goods. Naturally, monopolies were exceedingly distasteful to the free people of England and their hatred of them reached Parliament and reached the courts with the result that Queen Elizabeth repealed a good many of her's and the balance were repealed in the following reign, and it was established that monopolies should be thereafter granted only by the Act of Parliament, and the first monopoly was the patent monopoly, enacted as 21 James I, Chap. 3. Under this law, so enacted, the patentee had the privilege of drawing his own patent, but he did so at his peril. If the instrument were too broadly drawn, so that it covered more than he was entitled to cover, the entire document was held void by the Courts of England, who carried over the old hatred of monopolies to which we have just referred. This continued for about 180 years, or until about 1800, when a more just and equitable practice was established by Lord Eldon in a case which we need not now go into. It is sufficient for our purposes that the English practice, which was the only existing practice on the subject at the time of the Constitutional Convention in

1787, greatly influenced both the Convention which drafted the Constitution and the Congress which enacted the first patent act in 1790.

Through and Including the Law of 1836, a Patent was Void Which Covered too Much.

Little need be said about the Act of 1790, because it was repealed in 1793 and a more practical and better law substituted. Both these acts were so drawn that a patentee drafted his own patent and if his patent covered more than he was entitled to cover, his entire patent was void. In the Act of 1790, a defeat of a patent could be had by anyone who might be interested enough to bring a suitable action to cancel it in a United States court within one year from its grant. The Act of 1793 extended this time to three years, and in Section 6 provided that where a defendant pleaded and proved that the thing secured by the patent was not originally discovered by the patentee but had been in use or had been disclosed in some public work anterior to the supposed discovery of the patentee, judgment should be rendered for the defendant with costs and the patent declared void. This was rather drastic, but it was the law and it expressed the thought and feeling of the times. A copy of this section will be found in the appendix, page 23 of this brief. So far as we can discover, patent litigation was exceedingly infrequent and no case involving the point just mentioned reached the Supreme Court prior to the Act of 1836, which we will now discuss.

The Act of 1836 rewrote the Patent Law entirely, and established the Patent Office upon modern lines. Among other sections, this law contained section 15, which was badly drawn so as to be somewhat inconsistent. A copy of this section will be found in the

appendix, page 23. It is sufficient here to say that this section provided

> 1. That if a defendant pleaded and proved that a patentee covered more in his patent than he was entitled to cover, judgment should be in favor of the defendant.
>
> 2. That if the patentee had patentable subject matter in his patent which was used by the defendant, even though the judgment went against the patentee, yet costs could be awarded in the sound discretion of the court.

This section does not say that a patent is void because it claims too much as was said in the Act of 1793, but following the universal practice of the time, this was read into it. Speaking of the law of 1836, this Court, in the case of *O'Reilly* v. *Morse*, wherein claim 8 was held invalid and another claim sustained, stated:

> "He can lawfully claim only what he has invented and described, and if he claims more, his patent is void" (15 How. 62, 121).

A Disclaimer Under the Law of 1837 Saved a Patent Otherwise Void Under the Act of 1836.

Recognizing this, Congress, in 1837, passed the disclaimer statutes which have come down to this day, practically unchanged. Originally they were sections 7 and 9 of the Act of 1837. These will be found in the appendix, page 25. They have since been re-enacted in the Act of 1870 in the form in which they now are in the United States Code, Title 35, Sections 65 and 71, found at pages 26 and 27 of the appendix. As the differences are slight and irrelevant to this controversy, we will disregard them and address our argument entirely to these two sections of the Code. We

will also disregard Section 821 of Title 28 of the Code, as we believe it to be superfluous and because it adds nothing in point which is not found in the two sections to which we have referred.

These two disclaimer sections have always been read together by the courts. There is some duplication as they overlap, but we may disregard this. It is sufficient to say that, in substance, these sections provide, first, that a patent owner, acting in good faith, may file a disclaimer in a reasonable time and thereby reduce the patent to its proper scope, and the patent shall be enforceable as if it had been so drawn from the beginning, and second, the plaintiff shall not recover costs where his patent has been held invalid as to a substantial and material part.

In view of what we have said as to the common law and the Act of 1836, it is clear that a disclaimer was remedial. This was recognized by this court. We again quote from *O'Reilly* v. *Morse*:

(page 121)

> "The law which requires and permits him to disclaim, is not penal but remedial. It is intended for the protection of the patentee as well as the public, and ought not, therefore, to receive a construction that would restrict its operation within narrower limits than its words fairly import. It provides 'that when any patentee shall have in his specification claimed to be the first or original inventor or discoverer of any material or substantial part of the thing patented, of which he was not the first and original inventor, and shall have no legal or just claim to the same, he must disclaim in order to protect so much of the claim as is legally patented.
>
> "Where, therefore, the patent is illegal in part because he claims more than he has sufficiently described, or more than he invented, he must in either case, disclaim, in order to save the portion to which he is entitled; and he is allowed to do so when the error was committed by mistake."

This and the earlier quotation which we have made from this famous case set forth the law as we understand it, as applied to the patent law of 1836, as corrected by the disclaimer sections of 1837.

The Act of 1870 Repealed the Laws of 1836 and 1837 but Re-enacted the Law of 1837 as to Disclaimers. Thereafter the Disclaimer Law was No Longer Applicable to the Conditions it was Designed to Meet.

In 1870 the Act of 1836 as well as the Act of 1837, were both repealed and a new law enacted in which the Act of 1837 as to the disclaimer sections was re-enacted without substantial change, and the law of 1836 was entirely repealed as to the sections against which the disclaimer sections were directed. To make this clear, we quote, first from the Act of 1836, Section 15, and later from defense No. 4 of the Act of 1870, now Section 4920 of the Revised Statutes, and Section 69 of Title 35 of the United States Code. We put in italics the part of the Act of 1836 which has been re-enacted in substance. The part which we quote of the Act of 1836 reads as follows:

> "or that the patentee was not the original or first inventor or discoverer of the thing patented, *or a substantial and material part thereof claimed as new* * * *" (Italics ours.)

Paragraph 4 of Section 69 of Title 35 of the Code, reads as follows:

> "That he was not the original and first inventor or discoverer of any material and substantial part of the thing patented; * * *"

This section is printed in the appendix, page 29.

Section 15 of the Law of 1836 contained a curious sentence at its end allowing the trial court full discre-

tion as to the awarding of costs where the plaintiff had valid subject matter in his patent which was used by the defendant, although the patent was void because he claimed too much. Nothing of this kind is found in the existing defense section.

The Law of 1870 Confirmed the Bargain Theory Earlier Held by Courts.

From this and what appears below, it is apparent that it was the deliberate intention of Congress to abolish the old features of the combined patent law and common law which made a patent incurably void if too broad, and to substitute in lieu thereof the more humane and just doctrine, first enunciated by Lord Eldon in 1800. He said in substance, when speaking of British patents.

> "That they were to be considered as bargains between the inventors and the public, to be judged of on the principle of keeping good faith, by making a fair disclosure of the invention, and to be construed as other bargains." *Cartwright* v. *Arnott*, 1 Abb. P. C. 171, 174. (Robinson on Patents, Vol. 1, p. 24, Note 1.)

Time and again, this court has taken the same position when construing a patent. We quote from two decisions and from Robinson on Patents.

> "To promote the progress of useful arts is the interest and policy of every enlightened government. It entered into the views of the framers of our constitution; and the power 'to promote the progress of science and useful arts, by securing for limited times to authors and inventors, the exclusive right to their respective writings and discoveries,' is among those expressly given to congress. This subject was among the first which followed the organization of our government. It was taken up by the first congress at its second session, and an act was passed author-

izing a patent to be issued to the inventor of any useful art, etc. on his petition, 'granting to such petitioner, his heirs, administrators, or assigns, for any term not exceeding fourteen years, the sole and exclusive right and liberty of making, using, and vending to others to be used, the said invention or discovery. The law further declares that the patent 'shall be good and available to the grantee or grantees, by force of this act, to all and every intent and purpose herein contained.' The amendatory act of 1793, contains the same language; and it cannot be doubted that the settled purpose of the United States has ever been, and continues to be, to confer on the authors of useful inventions an exclusive right in their inventions for the time mentioned in their patent. It is the reward stipulated for the advantages derived by the public for the exertions of the individual, and is intended as a stimulus to those exertions. The laws which are passed to give effect to this purpose ought, we think, to be construed in the spirit in which they have been made; and to execute the contract fairly on the part of the United States, where the full benefit has been actually received, if this can be done without transcending the intention of the statute, or countenancing acts which are fraudulent or may prove mischievous. The public yields nothing which it has not agreed to yield; it receives all which it has contracted to receive. The full benefit of the discovery, after its enjoyment by the discoverer for fourteen years, is preserved, and for his exclusive enjoyment of it during that time the public faith is pledged. That sense of justice and of right which all feel, pleads strongly against depriving the inventor of the compensation thus solemnly promised, because he has committed an inadvertent or innocent mistake." (*Grant* v. *Raymond*, 6 Peters 218, 241, opinion being delivered by Mr. Chief Justice Marshall in 1832.)

It would seem that the great Chief Justice was far ahead of his time. He was speaking of a case involving

the law of 1793 which provided that if a suit be brought on a patent and the defendant should plead and prove that the patent was too broad, the patent should be void.

> "Letters Patent are not to be regarded as monopolies, created by the executive authority at the expense and to the prejudice of all the community except the persons therein named as patentees, but as public franchises granted to the inventors of new and useful improvements for the purpose of securing to them, as such inventors, for the limited term therein mentioned, the exclusive right and liberty to make and use and vend to others to be used their own inventions, as tending to promote the progress of science and the useful arts, and as matter of compensation to the inventors for their labor, toil, and expense in making the inventions, and reducing the same to practice for the public benefit, as contemplated by the Constitution and sanctioned by the laws of Congress." (*Seymour* v. *Osborne*, 11 Wall. 533, October Term, 1870, the opinion being delivered by Mr. Justice Clifford.)

The patents, there in suit, were granted in 1851 and evidently under the law of 1836.

> "The acts of legislatures which prescribe the limits and conditions of the patent privilege, and the decisions of the courts in interpreting and applying such legislative acts, relate to its contract character alone. Consideration of public policy and of justice to inventors are proper for the constitutional convention, when determining whether or not these privileges shall be granted, and for the legislature when about to define the scope of the inventor's rights and the service which he must render to the public in return. But the legislature having acted in the premises, the language of the statute, regarded, as all statutes must be, as intended to promote the common good, becomes the measure of the rights and duties of the inventor and the public, and fixes the relations

which they are to occupy toward each other. It is the office of the courts to interpret the language of the statute, and apply it to particular cases, in such a manner as to effect the intention of the legislature, by preserving these rights and enforcing these duties, as they are prescribed by the statute and specified in the patent actually granted. Patent Law as such, consisting of these statutes and decisions, therefore relates only to the contract character of the patent privilege and forms one branch of Law of Contracts. It deals with a single form of obligation, and with but two classes of parties whose relations to each other are always substantially the same. The principles on which it rests are simple, though often difficult of application on account of the abstruse or intricate character of the invention concerning which the controverted questions rise. These principles may be finally reduced to two, as fundamental grounds on which all others rest:

"1. That the inventor, having made such an invention as is entitled to the patent privilege, must communicate it to the public by publishing an accurate description of its character and uses;

"11. That the public, having received from the inventor this communication, must thenceforth, during the period for which his privilege is granted, protect him in the exclusive use of the invention so described." Robinson on Patents, Vol. I, p. 60, Art. 41, Edition of 1890.

The Patentee at Bar Has Faithfully Performed.

As to the patent here in suit, the Circuit Court of Appeals for the 6th Circuit has found it valid and infringed as to Claims 1, 3, 4 and 5, and after an accounting, the original parties settled their differences in the sum of $23,000. Claim 2 was held invalid by the District Court, and disclaimed prior to the final decree. It was never passed upon by the Circuit Court of Ap-

peals. There is no question that the inventor made a full, clear, concise and correct disclosure of his invention. As to his valid claims, he drew them properly. He has certainly done his part, and he has done it whether he entered a disclaimer or not.

The Public Should Faithfully Perform.

The law, now in effect, provides for *no forfeitures*, and no rendering void the valid claims of a patent because there was an invalid claim in the patent. Since 1870, when the law of 1836 was repealed, there has been no provision in the law for rendering void an entire patent under such circumstances.

In view of all this, it seems proven to a demonstration, that the public, having received from the inventor everything it can possibly get, which is in any way necessary to the perfect practicing of the invention, should, in the interests of manifest justice, insist that the inventor get his just reward, *i. e.*, a monopoly of the substance of his valid claims during the remainder of the life of his patent. We contend that to arbitrarily import into the law what is not there, so as to defeat the grant and render it null and void, is to defeat the ends of justice; to defeat the ends and entire purpose of the Patent Law; and to defeat the ends and entire purpose of the Constitutional provision.

The Validity of Many Patents is at Stake.

Indeed, the validity of thousands of patents is at stake. Many patents are drawn and must be drawn with an imperfect revelation of the prior art before the draftsman, who prepares the application on which the patent issues. In view of what is before him, he draws broad and narrow claims with a view to securing the inventor the just protection to which he is en-

titled, and with a view to exactly defining the invention in its various aspects, broad and narrow. He is duty bound to do this, and duty bound to act as best he may with the art which is cited by the Patent Office and brought before him, even though that art be fragmentary and incomplete. If he does his duty and does incidently and unintentionally claim too much in some claims while other claims are valid, it is highly improper to hold all claims invalid and unenforceable as was done in the case at bar. To do so is judicial legislation. It is contrary to the law as explained by this court and has no foundation in the Patent Laws of any kind whatsoever.

The Decisions on Which We Rely are Sound.

As to the facts at bar, we can but come back to our starting point. We again repeat what this court has said, namely:

> "Under Section 4922, the effect of delaying a disclaimer until after the commencement of the suit goes only to the recovery of costs. We adhere to that construction." (*Sessions* v. *Romadka, supra.*)

There is no longer any occasion to enforce "the hardship of the common law which made a patent wholly void if any part of the invention was wrongfully claimed by the patentee, and which made such a defect in a patent an effectual bar to a suit brought upon it". (*Hailes* v. *Albany Store, supra.*) Since the repeal of Section 15 of the Act of 1836 by the Act of 1870, such a hardship is unnecessary, uncouth and out of date.

Conclusion.

The conclusion of the entire matter seems very simple. The harsh construction days of 1836 have

gone, and we believe, gone forever. The attitude of courts towards patents has radically changed and is much more liberal now than formerly. The idea first enunciated by Lord Eldon in 1800 in the case of *Cartwright* v. *Arnott*, is now the recognized law of the interpretation of patents in this country also. The effort of the court is to reward the inventor according to the contribution he has made and not defeat his rights by unreasonably harsh conditions and requirements. The law has been amended as far back as 1870, in a like spirit, so that today, both through legislative enactment and the natural tendency of this court, when interpreting these enactments, there is a strong desire to avoid unnecessary technicalities and constructions which defeat otherwise valid patents. With all this in mind, it is clear that a disclaimer filed before an Appellate Court has a chance to function, and before a final decree, is filed in time and is not unreasonably delayed. Furthermore, in any event, the matter of time of filing a disclaimer relates to costs only and has nothing to do with the enforcement of the valid claims of a patent.

In the foregoing, we have treated this case largely as if it were a mere contest between two parties. It is more than this. It is combined with a public interest. Public faith demands, as we have pointed out, that the bargain between the public and the inventor be kept. How is this bargain to be determined? It can be determined in one way only, and that is by litigating the issues of validity and infringement, either or both. The lower court has used the disclaimer statutes to prevent either of these fundamental issues from being litigated. This is neither law nor justice, as we have shown. The reaction on the public, insofar as it knows of the case, is most unfortunate. A similar case, as to this point, which attracted a great deal of public attention, was

Breese v. *United States*, reported in various federal reporters beginning with volume 106 and ending with volume 203. It also reached this Court (226 U. S. 1).

In 143 Fed., at page 250 will be found the particular decision in point. It appears that Breese organized and operated a national bank in Asheville, N. C., and continued to operate it until he had illegally and feloniously looted the property and converted its assets to his own use. He was tried and convicted, and the judgment was set aside and vacated because two members of the Grand Jury, which indicted him, had not paid their taxes the year preceding their service on the Grand Jury. This may be law, but it certainly is not justice, and in this it may differ from the case at bar in which the decision of the lower court is neither law nor justice.

Nothing is more likely to bring the administration of justice into ill repute than such decisions.

We believe that this case should be remanded as was done in the case of *Brill* v. *Peckham* (189 U. S. 57).

Respectfully submitted,

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Solicitor for Petitioners.

Harold Elno Smith,
Of Counsel.

Dated, New York, July 18th, 1930.

Appendix.

The Patent Act of 1793, Section 6:

1 Statutes at Large, 318.

Provided always, and be it further enacted, That the defendant in such action shall be permitted to plead the general issue, and give this act, and any special matter, of which notice in writing may have been given to the plaintiff or his attorney, thirty days before trial, in evidence, tending to prove that the specification filed by the plaintiff does not contain the whole truth relative to his discovery, or that it contains more than is necessary to produce the described effect, which concealment or addition shall fully appear to have been made for the purpose of deceiving the public, or that the thing thus secured by patent was not originally discovered by the patentee, but had been in use, or had been described in some public work anterior to the supposed discovery of the patentee, or that he had surreptitiously obtained a patent for the discovery of another person; in either of which cases judgment shall be rendered for the defendant, with costs, and the patent shall be declared void.

The Patent Act of 1836, Section 15:

5 Statutes at Large, 117.

And be it further enacted, That the defendant in any such action shall be permitted to plead the general issue, and to give this act and any special matter in evidence, of which notice in writing may have been given to the plaintiff or his attorney, thirty days before trial, tending to prove that the description and specification filed by the plaintiff does not contain the whole truth relative to his invention or discovery, or that it contains more than is necessary to produce the described effect; which concealment or addition shall fully appear to have been made for the purpose of deceiving the public, or that the patentee was not the original and first inventor or discoverer of the thing patented, or of a substantial and material part thereof claimed

as new, or that it had been described in some public work anterior to the supposed discovery thereof by the patentee, or had been in public use or on sale with the consent and allowance of the patentee before his application for a patent, or that he had surreptitiously or unjustly obtained the patent for that which was in fact invented or discovered by another, who was using reasonable diligence in adapting and perfecting the same; or that the patentee, if an alien at the time the patent was granted, had failed and neglected, for the space of eighteen months from the date of the patent, to put and continue on sale to the public, on reasonable terms, the invention or discovery for which the patent issued; in either of which cases judgment shall be rendered for the defendant with costs. And whenever the defendant relies in his defense on the fact of a previous invention, knowledge, or use of the thing patented, he shall state, in his notice of special matter, the names and places of residence of those whom he intends to prove to have possessed a prior knowledge of the thing, and where the same had been used: *Provided however*, That whenever it shall satisfactorily appear that the patentee, at the time of making his application for the patent, believed himself to be the first inventor or discoverer of the thing patented, the same shall not be held to be void on account of the invention or discovery or any part thereof having been before known or used in any foreign country, it not appearing that the same or any substantial part thereof had before been patented, or described in any printed publication. *And provided also*, That whenever the plaintiff shall fail to sustain his action on the ground that in his specification of claim is embraced more than that of which he was the first inventor, if it shall appear that the defendant had used or violated any part of the invention justly and truly specified and claimed as new, it shall be in the power of the court to adjudge and award as to costs, as may appear to be just and equitable.

The Patent Act of 1837, Section 7:

5 Statutes at Large, 191.

And be it further enacted, That, whenever any patentee shall have, through inadvertence, accident, or mistake, made his specification of claim too broad, claiming more than that of which he was the original or first inventor, some material or substantial part of the thing patented being truly and justly his own, any such patentee, his administrators, executors, and assigns, whether of the whole or of a sectional interest therein, may make disclaimer of such parts of the thing patented as the disclaimant shall not claim to hold by virtue of the patent or assignment, stating therein the extent of his interests in such patent; which disclaimer shall be in writing, attested by one or more witnesses, and recorded in the Patent Office, on payment by the person disclaiming in manner as other patent duties are required by law to be paid, of the sum of ten dollars. And such disclaimer shall thereafter be taken and considered as part of the original specification, to the extent of the interest which shall be possessed in the patent or right secured thereby, by the disclaimant, and by those claiming by or under him subsequent to the record thereof. But no such disclaimer shall effect any action pending at the time of its being filed, except so far as may relate to the question of unreasonable neglect or delay in filing the same.

The Patent Act of 1837, Section 9:

And be in further enacted, any thing in the fifteenth section of the act to which this is additional to the contrary notwithstanding, That, whenever by mistake, accident, or inadvertence, and without any wilful default or intent to defraud or mislead the public, any patentee shall have in his specification claimed to be the original and first inventor or discoverer of any material or substantial part of the thing patented, of which he was not the first and original in-

ventor, and shall have no legal or just right to claim the same, in every such case the patent shall be deemed good and valid for so much of the invention or discovery as shall be truly and *bona fide* his own; *Provided*, It shall be a material and substantial part of the thing patented, and be definitely distinguishable from the other parts so claimed without right as aforesaid. And every such patentee, his executors, administrators, and assigns, whether of the whole, or of a sectional interest therein, shall be entitled to maintain a suit at law or in equity on such patent for any infringement of such part of the invention or discovery as shall be *bona fide* his own as aforesaid, notwithstanding the specification may embrace more than he shall have any legal right to claim. But, in every such case in which a judgment or verdict shall be rendered for the plaintiff, he shall not be entitled to recover costs against the defendant, unless he shall have entered at the Patent Office, prior to the commencement of the suit, a disclaimer of all that part of the thing patented which was so claimed without right. *Provided however*, That no person bringing any such suit shall be entitled to the benefits of the provisions contained in this section, who shall have unreasonably neglected or delayed to enter at the Patent Office a disclaimer as aforesaid.

United States Code—Title 35; Section 65:

DISCLAIMER. Whenever, through inadvertence, accident, or mistake, and without any fraudulent or deceptive intention, a patentee has claimed more than that of which he was the original or first inventor or discoverer, his patent shall be valid for all that part which is truly and justly his own, provided the same is a material or substantial part of the thing patented; and any such patentee, his heirs or assigns, whether of the whole or any sectional interest therein, may, on payment of the fee required by law, make disclaimer of such parts of the thing patented as he shall not choose to claim or to hold by virtue of the patent or assignment, stating therein the

extent of his interest in such patent. Such disclaimer shall be in writing, attested by one or more witnesses, and recorded in the Patent Office; and it shall thereafter be considered as part of the original specification to the extent of the interest possessed by the claimant and by those claiming under him after the record thereof. But no such disclaimer shall affect any action pending at the time of its being filed, except so far as may relate to the question of unreasonable neglect or delay in filing it.

United States Code—Title 35; Section 69:

PLEADING AND PROOF IN ACTIONS FOR INFRINGEMENT. In any action for infringement the defendant may plead the general issue, and, having given notice in writing to the plaintiff or his attorney thirty days before, may prove on trial any one or more of the following special matters:

FIRST: That for the purpose of deceiving the public the description and specification filed by the patentee in the Patent Office was made to contain less than the whole truth relative to his invention or discovery, or more than is necessary to produce the desired effect; or,

SECOND: That he had surreptitiously or unjustly obtained the patent for that which was in fact invented by another, who was using reasonable diligence in adapting and perfecting the same; or,

THIRD: That it has been patented or described in some printed publication prior to his supposed invention or discovery thereof, or more than two years prior to his application for a patent therefor; or,

FOURTH: That he was not the original and first inventor or discoverer of any material and substantial part of the thing patented; or,

FIFTH: That it had been in public use or on sale in this country for more than two years before his application for a patent, or had been abandoned to the public.

And in notices as to proof of previous invention, knowledge, or use of the thing patented, the defendant shall state the names of the patentees and the dates of their patents, and when granted, and the names and residences of the persons alleged to have invented or to have had the prior knowledge of the thing patented, and where and by whom it had been used; and if any one or more of the special matters alleged shall be found for the defendant, judgment shall be rendered for him with costs. And the like defenses may be pleaded in any suit in equity for relief against an alleged infringement; and proofs of the same may be given upon like notice in the answer of the defendant, and with the like effect.

United States Code—Title 35; Section 71:

SUIT FOR INFRINGEMENT WHERE SPECIFICATION TOO BROAD. Whenever, through inadvertence, accident, or mistake, and without any willful default or intent to defraud or mislead the public, a patentee has, in his specification, claimed to be the original and first inventor or discoverer of any material or substantial part of the thing patented, of which he was not the original and first inventor or discoverer, every such patentee, his executors, administrators, and assigns, whether of the whole or any sectional interest in the patent, may maintain a suit at law or in equity, for the infringement of any part thereof, which was *bona fide* his own, if it is a material and substantial part of the thing patented, and definitely distinguishable from the parts claimed without right, notwithstanding the specifications may embrace more than that of which the patentee was the first inventor or discoverer. But in every such case in which a judgment or decree shall be rendered for the plaintiff no costs shall be recovered unless the proper disclaimer has been entered at the Patent Office before the commencement of the suit. But no patentee shall be entitled to the benefits of this section if he has unreasonably neglected or delayed to enter a disclaimer.